

REMARKS

Claims 2, 3, 5-18, 20-32, 34, 35, 37, 41, 45, 46, 48, 50 and 52-64 are currently pending in this application. By this Amendment, claims 53, 60, 63 and 64 are amended. Support for the amendments to independent claims 53, 60, 63 and 64 can be found at least in paragraphs [0066], [0073], [0087] and [0088] of the specification. No new matter is added.

Claims 2, 3, 5-11, 15-18, 20-27, 31, 32, 34, 35, 45, 46, 48, 50, and 62-64 are rejected under 35 U.S.C. §102(a) over Monaghan (WO 02/086829); and claims 12-14, 28-30, 37 and 41 are rejected under 35 U.S.C. §103(a) over Monaghan and further based on Official Notice. The rejections are herein overcome by the amendments to the independent claims.

Independent claims 53 and 63 have been amended to recite that system is arranged to enable provision of transaction details to the financial institution application, and that the provision of the transaction details is only enabled when the customer computing device is connected to the financial institution application. Independent claims 60 and 64 have been amended to recite the additional steps of providing transaction details to the financial institution application, the provision of the transaction details only being enabled when the customer computing device is connected to the financial institution application. Monaghan fails to disclose the above features.

The independent claims now recite that transaction details are provided to the financial institution application to facilitate processing of the transaction. The transaction details may include the amount of payment and may also include a merchant account identifier, for example.

Importantly, and as now recited in the independent claims, the transaction details are only provided when the customer computing device is connected to the financial institution

application. As a result, the financial institution application only needs to work with transaction details that are provided during the connection to the customer computing device – the financial institution application does not have to deal with any transaction details provided at other times.

Monaghan fails to disclose the above feature. Monaghan discloses a system that can be used for on-line transactions. (See page 14, lines 4-25). The system operates as follows:

- (A). The consumer logs on to the merchant's internet site and selects goods to be purchased;
- (B). The consumer views a merchant's invoice and selects and enters the relevant consumer ID for the system;
- (C). The merchant encrypts the transaction invoice 127 and forwards it to the system;
- (D). The system, utilizing the relevant ID, searches its database to verify the consumer details.
- (E). Once the details are located, the system attaches the necessary transaction details and forwards the message back to the merchant and to the consumer's financial institution;
- (F). Once the merchant receives the message the merchant redirects the consumer to the consumer's financial institution website, the consumer enters the necessary ID (for example, a user password) and initiates payment;
- (G). The consumer's financial institution then verifies that the entered details are correct (i.e. the financial institution compares the entered details with the details received from the merchant) and then processes the transaction.

The critical difference between Monaghan and independent claims 53, 60, 63 and 64 is that, in Monaghan, the transaction details are sent in a system message to the consumer's financial institution before the consumer is connected to the financial institution application (Step (E)). In other words, the transaction details are sent "out of band," making it necessary for the financial institution to receive and process the transaction details before the financial institution receives any message or connection from the customer.

The above process is detrimental for many reasons. As discussed in Applicants' specification, many transactions are not completed by a customer. That is, a customer may indicate to a merchant that the customer will complete the transaction, but not in fact complete the transaction for a variety of reasons. In this case, the bank will still be burdened with the transaction information, even though the customer may not proceed with the transaction. This will cause major processing problems for any financial institution application.

Also with respect to the Monaghan system, the financial institution application must compare the transaction information received from the merchant with information received from the consumer. This is a further processing step that causes more work for the financial institution.

In the system of the present invention, the financial institution does not get involved with the transaction until the customer logs in to make the purchase. This reduces the processing required by the financial institution. When the financial institution receives the transaction details, they are sure that the customer is going to pay. Processing overhead is greatly reduced because the financial institution is not burdened by customers that transmit transaction details but

do not in fact complete the transaction. The novel process of the present invention therefore contains advantages over the system of Monaghan.

Also in the present invention, no identification information is transmitted via the transaction processing system or the merchant. In Monaghan, a relevant consumer ID must be provided to the transaction processing system (see Step (B) above). The transaction processing system of *Monaghan* must store a consumer ID and be able to use this ID to search its database and verify the consumer details. (See page 14, Lines 10 to 12). The transaction processing system of the present invention need not do any of this. All secure IDs can be transmitted directly from the customer computing device to the financial institution application and not via the merchant or the transaction processing system. The customer can be completely anonymous to the transaction processing system in the present invention. This is not the case with Monaghan.

For at least these reasons, independent claims 53, 60, 63 and 64, and the depending claims depending therefrom, are novel over Monaghan. Applicants respectfully request withdrawal of the rejections.

Conclusion

In view of the foregoing, it is respectfully submitted that the application is in condition for allowance and a notice to that effect is earnestly solicited. If anything further is considered necessary or helpful to place the application in even better condition for allowance, the Examiner is invited to contact the undersigned at the telephone number below.

If any fees are due in connection with this application, the Patent Office is authorized to deduct the fees from Deposit Account No. 19-1351 as required. If such withdrawal is made, please indicate the attorney docket number (37388-405600) on the account statement.

Respectfully submitted,

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